



Australian Government

FNSCRD502 Manage factoring and invoice discounting arrangements

Release: 1

FNSCRD502 Manage factoring and invoice discounting arrangements

Modification History

Release	Comments
Release 1	This version first released with FNS Financial Services Training Package Version 1.0.

Application

This unit describes the skills and knowledge required to provide appropriate advice to clients and establish debt factoring or invoice discounting arrangements.

It applies to individuals who may use a range of managerial and specialist techniques to implement effective service arrangements and relationships with clients.

Work functions in the occupational areas where this unit may be used are subject to regulatory requirements. Refer to the FNS Implementation Guide Companion Volume or the relevant regulator for specific guidance on requirements.

Unit Sector

Credit management

Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
<i>Elements describe the essential outcomes.</i>	<i>Performance criteria describe the performance needed to demonstrate achievement of the element.</i>
1. Explain arrangement options to clients	1.1 Identify different types of arrangements that may be offered to clients 1.2 Advise clients of policy and procedures that should be followed in relation to different types of products 1.3 Assess clients' financial positions from information provided and advantages and disadvantages of various debt assignment arrangements 1.4 Advise clients on legal assignment of debt that relates to each type of arrangement
2. Advise clients on	2.1 Provide information on appropriate arrangements to clients in

ELEMENT	PERFORMANCE CRITERIA
appropriate arrangements	accordance with legislative requirements 2.2 Establish arrangements, including all terms and conditions, with clients by completing relevant documentation
3. Manage relationship between client and factor or invoice discounter	3.1 Advise clients how the relationship will proceed with all participants involved in the arrangements 3.2 Establish ongoing monitoring and review procedures with clients

Foundation Skills

This section describes language, literacy, numeracy and employment skills incorporated in the performance criteria that are required for competent performance.

Skill	Performance Criteria	Description
Reading	1.3	Interprets, analyses and compares complex information from a range of sources to inform advice and actions
Writing	1.2, 1.4, 2.2, 3.1	Integrates relevant facts and information from a variety of sources using style appropriate to purpose and audience to convey service options and obligations in compliance with organisational and regulatory requirements
Oral Communication	1.2, 1.4, 2.2, 3.1, 3.2	Selects language, structure and tone suited to effective exchanges and careful listening and questioning techniques to provide advice and clarification of detailed information
Numeracy	1.3, 2.2	- Extracts and evaluates numerical information embedded in texts and uses mathematical calculations and formulae to establish costs of service arrangements - Performs debt factoring calculations
Navigate the world of work	1.2, 2.1	Takes full responsibility for following policies, procedures and legislative requirements and identifies organisational implications of new legislation or regulation
Interact with others	1.2, 1.4, 3.1, 3.2	Implements strategies for a diverse range of colleagues and customers to build rapport and foster strong relationships
Get the work	1.1, 1.3, 2.2, 3.2	Applies systematic and analytical decision-making

done		processes for complex and non-routine situations • Accepts responsibility for planning and sequencing complex tasks and workload • Uses the main features and functions of digital tools to complete work tasks
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Unit Mapping Information

Code and title current version	Code and title previous version	Comments	Equivalence status
FNSCR502 Manage factoring and invoice discounting arrangements	FNSCR502A Manage factoring and invoice discounting arrangements	Updated to meet Standards for Training Packages Rewritten and clarified elements and performance criteria	Equivalent unit

Links

Companion Volume implementation guides are found in VETNet -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=c7200cc8-0566-4f04-b76f-e89fd6f102fe>

Assessment Requirements for FNSCRD502 Manage factoring and invoice discounting arrangements

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Performance Evidence

Evidence of the ability to:

- apply organisational policy and procedures and comply with relevant legislation
- identify client accounts that may be offered a debt assignment arrangement
- demonstrate effective and considerate client management practice in explaining and establishing appropriate arrangements and in monitoring the arrangements.

Note: If a specific volume or frequency is not stated, then evidence must be provided at least once.

Knowledge Evidence

To complete the unit requirements safely and effectively, the individual must:

- explain in detail current organisational policy and procedures for debt assignment arrangements
- explain the characteristics of debt assignment arrangement options
- outline the advantages and disadvantages of various debt assignment arrangements
- interpret and describe key requirements of current debt management legislation.
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Assessment Conditions

Assessment must be conducted in a safe environment where evidence gathered demonstrates consistent performance of typical activities experienced in the credit management field of work and include access to:

- common office equipment, technology and consumables
- credit product information
- relevant software systems and data
- organisational policy, procedures and legislation relevant to debt factoring and invoice discounting.

Assessors must satisfy NVR/AQTF assessor requirements.

Links

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